

Clean Air Mercury Rule (CAMR)

Update to the Air Quality Board; Sept. 6, 2006

General Facts About the Federal Clean Air Mercury Rule (CAMR)

- It targets Coal-Fired Electrical Generating Units (EGUs) serving generators that are 25 Mega Watts or larger.
- It sets nation-wide caps on mercury emissions:
 - 38 tons/yr in Phase-1 2010-2017
 - 15 tons/yr in Phase-2 2018 and beyond
 - This compares with EPA's estimate of 48 tons/yr for existing levels of mercury emissions from EGUs in the U.S.
- Each State has been allocated a cap total for each phase of the program. Utah's allowances are:
 - 0.506 tons/yr (1,012 lbs/yr) for 2010-2017
 - 0.200 tons/yr (400 lbs/yr) for 2018 and beyond
 - This compares with EPA's estimate of 0.142 tons (284 lbs) emitted in 1999, and implies that Utah will be a net seller of emission credits (most likely to sources in the East.)
- Each State must demonstrate compliance each year with its caps. The model rule includes a market trading program which States may use, or they can establish emission limits to stay within the caps.
- Any additional generating capacity will have to fit within these caps.
- All states and tribes will need to submit plans to implement the rule by November 17, 2006.

Utah's Mercury Proposal

Utah will propose a two-tiered approach to mercury emissions from coal-fired electric generating units.

The first element will involve participation in the Federal CAMR program.

- It will rely closely on EPA's model rule to demonstrate compliance with the CAMR. The model rule uses a cap and trade program to show compliance with the nation-wide mercury reduction goals.
- EPA has invited States and Tribes to make certain modifications as they see fit. Utah is proposing to modify certain elements of the model rule, regarding the allocation of mercury allowances.

The second element will be separate from the CAMR, and apply only to sources in Utah.

- It would set minimum emission standards for existing facilities;
- and require offsets for increases in mercury emissions for new or modified units.

Progress Report

DAQ is using this Board meeting, as well as an e-mail list, to notify interest parties that Utah's proposal is now available for public inspection on our website.

A tentative schedule for these actions is included below. It anticipates that staff will be coming to the UAQB with a proposal to initiate rulemaking at its November meeting.

The schedule does not meet the November 17, 2006 submittal date identified above; however, Utah is not unusual in that regard, and the EPA assures us that we are proceeding within an acceptable frame of time.

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Tentative Schedule for the Utah Mercury Plan

The table below identifies some of the more significant milestones in developing the Mercury SIP.

<u>Milestone</u>	<u>Anticipated Completion Date</u>
Refine Draft based on Stakeholder Input	September – October, 2006
State/Board Approval for Proposed Rulemaking	November, 2006
State/Board Approval	February, 2007
Revised Plan submitted to EPA	March, 2007